



**Testimony of Sarah Calder, MaineHealth  
In Support of  
LD 1301, “An Act to Prohibit the Use of Artificial Intelligence in the Denial of  
Health Insurance Claims” and  
LD 955, “An Act to Ensure Human Oversight in Medical Insurance Payment  
Decisions”  
April 8, 2025**

Senator Bailey, Representative Mathieson, and distinguished members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services, I am Sarah Calder, Senior Government Affairs Director at MaineHealth, and I am here to testify in support of both LD 1301, “An Act to Prohibit the Use of Artificial Intelligence in the Denial of Health Insurance Claims” and LD 955, “An Act to Ensure Human Oversight in Medical Insurance Payment Decisions.”

MaineHealth is an integrated non-profit health care system that provides a continuum of health care services to communities throughout Maine and New Hampshire. Every day, our almost 24,000 care team members support our vision of “Working Together so Our Communities are the Healthiest in America” by providing high-quality and efficient care, which is demonstrated by the numerous national quality recognitions our hospitals have received and the fact that Maine was recently named as “Top State of the Decade for Patient Safety” by Leapfrog.

Prior authorizations and utilization reviews do not support evidence-based medicine and represent a very expensive administrative cost to MaineHealth, even though over 91% of the denials we received in Fiscal Year (FY) 2024 were eventually approved.

As carriers increasingly use artificial intelligence (AI) to review and deny claims, we strongly support both bills before you today, which require a clinical peer review a denial, delay, modification or adjustment of health care services based on medical necessity. While AI is an important tool that can increase efficiency, it is critical that there is careful oversight of the practice as well as qualified clinical peers to review claim denials and adjustments.

Blanket denials without ever examining patient records is dangerous to the health of our patients, and we strongly oppose that practice. To that end, MaineHealth received nearly 3 million denials in FY24 (e.g., 250,000 per month). While the sheer bulk of denials requiring processing is overwhelming in and of itself, what is worse is that the total denials volume rose by 25% since FY21, leaving MaineHealth with little time to budget for the associated administrative burden. Further growth and development of AI-driven improved denials efficiency only promises to exacerbate this problem. It is for that reason that we urge you to support the bills before you today, which put guardrails around the use of AI and ensure that the technology supplements the work of qualified clinicians and does not replace their oversight.

Thank you for your time and I would be happy to answer any questions that you may have.